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Attorney for Global Credit Union

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON

**UNI PARSONS and RYAN PARSONS,**  
  
Plaintiffs,

v.

**HOW ADJUSTMENT SERVICE, INC.,**  
and **GLOBAL CREDIT UNION,**  
  
Defendants.

**GLOBAL CREDIT UNION,**  
  
Cross-claim Plaintiff,

v.

**HOW ADJUSTMENT SERVICE, INC.,**  
  
Cross-claim Defendant.

No. **CV-19-01762-MLP**

**GLOBAL CREDIT UNION'S  
ANSWER TO FIRST AMENDED  
COMPLAINT FOR  
(1) VIOLATIONS OF THE FAIR  
DEBT COLLECTION PRACTICES  
ACT;  
(2) VIOLATIONS OF THE  
WASHINGTON CONSUMER  
PROTECTION ACT; AND  
(3) VIOLATIONS OF THE  
UNIFORM COMMERCIAL CODE**

**WITH COUNTERCLAIM AGAINST  
UNI PARSONS AND**

**WITH CROSS-CLAIM AGAINST  
HOW ADJUSTMENT SERVICE,  
INC.**

Defendant Global Credit Union ("Global"), by and through its counsel Bruce K. Medeiros of Davidson Backman Medeiros PLLC, answers Plaintiffs', Uni and Ryan Parsons, First Amended Complaint for (1) Violations of the Fair Debt Collection Practices Act; (2) Violations of the Washington Consumer Protection

1 Act; and (3) Violations of the Uniform Commercial Code ("Amended Complaint")  
 2 as follows:

3 **[ALLEGED] OPERATIVE FACTS**

4  
 5 1. Admit that Plaintiff Uni Parsons purchased a 2016 Ford Fusion  
 6 ("Vehicle") from Maxx Autos Plus ("Seller") in Puyallup, Washington and that  
 7 Plaintiff and Seller entered into a "Retail Installment Sale Contract Simple  
 8 Finance Charge" ("Contract"). Admit that the Seller assigned the Contract to  
 9 Global. The remaining allegations of paragraph 1 are denied. Also denied to the  
 10 extent that the allegations of paragraph 1 set forth legal conclusions to which no  
 11 response is required, but to the extent a response is required, such allegations  
 12 are denied, and to the extent that such allegations seek to characterize the  
 13 provisions of a document that speaks for itself and must be read as a whole.

14  
 15 2. Admit that Plaintiff Uni Parsons defaulted on her obligations under  
 16 the Contract by failing to make the required payments when due, and Global  
 17 retained How Adjustment Service, Inc. ("How Adjustment") as an independent  
 18 contractor to locate and repossess the Vehicle in accordance with applicable law.

19  
 20 3. Global lacks sufficient knowledge and information to form a belief as  
 21 to the truth of the allegations of paragraph 3, and therefore denies the same.

22  
 23 4. Global lacks sufficient knowledge and information to form a belief as  
 24 to the truth of the allegations of paragraph 4, and therefore denies the same.  
 25

1           5.     Global lacks sufficient knowledge and information to form a belief as  
2 to the truth of the allegations of paragraph 5, and therefore denies the same.  
3 Also denied to the extent that the allegations of paragraph 5 set forth legal  
4 conclusions to which no response is required, but to the extent a response is  
5 required, such allegations are denied.  
6

7                               **JURISDICTION AND VENUE**

8           6.     Admit that this Court could have jurisdiction if it is determined that  
9 the Plaintiffs actually have a claim upon which relief can be granted that falls  
10 under the jurisdiction and venue of this Court, which is not certain at this point.  
11 The remaining allegations of paragraph 6 are denied.  
12

13           7.     Admit that venue would be proper in this Court if it is determined  
14 that the Plaintiffs actually have a claim upon which relief can be granted that  
15 falls under the jurisdiction and venue of this Court, which is not certain at this  
16 point. The remaining allegations of paragraph 7 are denied.  
17

18                               **PARTIES**

19           8.     Global lacks sufficient knowledge and information to form a belief as  
20 to the truth of the allegations of paragraph 8, and therefore denies the same.  
21

22           9.     Global lacks sufficient knowledge and information to form a belief as  
23 to the truth of the allegations of paragraph 9, and therefore denies the same.  
24

25           10.    Admit.

1           11. Global lacks sufficient knowledge and information to form a belief as  
2 to the truth of the allegations of paragraph 11, and therefore denies the same.

3                           **[ALLEGED] FIRST CAUSE OF ACTION**  
4           **(By All Plaintiffs Against Defendant How Adjustment for Violations of the**  
5           **Fair Debt Collection Practices Act, 15 U.S.C. § 1692 et seq.)**

6           12. Global incorporate its responses to the preceding paragraphs and  
7 allegations as if fully set forth herein.

8           13. Deny. Also denied to the extent that the allegations of paragraph 13  
9 set forth legal conclusions to which no response is required, but to the extent a  
10 response is required, such allegations are denied.

11           14. Deny. Also denied to the extent that the allegations of paragraph 14  
12 set forth legal conclusions to which no response is required, but to the extent a  
13 response is required, such allegations are denied.

14           15. Deny. Also denied to the extent that the allegations of paragraph 15  
15 set forth legal conclusions to which no response is required, but to the extent a  
16 response is required, such allegations are denied.

17           16. Deny. Also denied to the extent that the allegations of paragraph 16  
18 set forth legal conclusions to which no response is required, but to the extent a  
19 response is required, such allegations are denied.

20           17. Deny. Also denied to the extent that the allegations of paragraph 17  
21 set forth legal conclusions to which no response is required, but to the extent a  
22 response is required, such allegations are denied.

1 response is required, such allegations are denied.

2 18. Deny. Also denied to the extent that the allegations of paragraph 18  
3 set forth legal conclusions to which no response is required, but to the extent a  
4 response is required, such allegations are denied.  
5

6 **[ALLEGED] SECOND CAUSE OF ACTION**  
7 **(By All Plaintiffs Against All Defendants for Violations of the Washington**  
8 **Consumer Protection Act, RCW § 19.86.910 et seq)**

9 19. Global incorporate its responses to the preceding paragraphs and  
10 allegations as if fully set forth herein.

11 20. Deny. Also denied to the extent that the allegations of paragraph 20  
12 set forth legal conclusions to which no response is required, but to the extent a  
13 response is required, such allegations are denied.  
14

15 21. Deny. Also denied to the extent that the allegations of paragraph 21  
16 set forth legal conclusions to which no response is required, but to the extent a  
17 response is required, such allegations are denied.

18 22. Global lacks sufficient knowledge and information to form a belief as  
19 to the truth of the allegations of paragraph 22, and therefore denies the same.  
20 Also denied to the extent that the allegations of paragraph 22 set forth legal  
21 conclusions to which no response is required, but to the extent a response is  
22 required, such allegations are denied.  
23

24 23. Deny. Also denied to the extent that the allegations of paragraph 23  
25

1 set forth legal conclusions to which no response is required, but to the extent a  
2 response is required, such allegations are denied.

3 **[ALLEGED] THIRD CAUSE OF ACTION**  
4 **(By Plaintiff Uni Parsons Against Defendant GCU for Violations of the**  
5 **Uniform Commercial Code)**

6 24. Global incorporate its responses to the preceding paragraphs and  
7 allegations as if fully set forth herein.

8 25. Deny. Also denied to the extent that the allegations of paragraph 25  
9 set forth legal conclusions to which no response is required, but to the extent a  
10 response is required, such allegations are denied.

11 26. Deny. Also denied to the extent that the allegations of paragraph 26  
12 set forth legal conclusions to which no response is required, but to the extent a  
13 response is required, such allegations are denied.

14 27. Deny. Also denied to the extent that the allegations of paragraph 27  
15 set forth legal conclusions to which no response is required, but to the extent a  
16 response is required, such allegations are denied.

17 **[PLAINTIFFS'] PRAYER FOR RELIEF**

18 1.-7. Denied.

19 **[PLAINTIFFS'] DEMAND FOR JURY TRIAL**

20 Global does not demand a trial by jury.

**GLOBAL'S AFFIRMATIVE DEFENSES**

WHEREFORE, having fully answered the Amended Complaint, Global pleads the following separate and distinct affirmative defenses:

1. Except as specifically admitted or stated herein, Global denies each and every allegation contained in the Amended Complaint.

2. The Plaintiffs have failed to mitigate its damages, if any.

3. Global reserve the right to claim, if appropriate, that the Plaintiffs' claims are barred in whole or in part by applicable statutes of limitation and by the doctrines of waiver, laches, acquiescence and/or ratification.

4. Plaintiffs' Amended Complaint fails to state a claim upon which the relief sought by Plaintiffs in its Amended Complaint could be granted.

5. There is no dispute that Plaintiff Uni Parsons defaulted on her obligation to make the payments required by the Contract. Therefore she was in default of the Contract and Global was entitled to pursue its remedies under the Contract and applicable law, including, but not limited to the recovery of the Vehicle in accordance with the Contract and applicable law. Global retained How Adjustment, as an independent contractor, to repossess the Vehicle pursuant to applicable law and turn the Vehicle over to Global for sale pursuant to applicable law. Global did not authorize or engage How Adjustment to commit any acts in breach of the peace or otherwise in violation of applicable law, as alleged by

1 Plaintiffs, during the course of recovery of the Vehicle. Global did not breach the  
 2 peace as alleged by Plaintiffs and Global has fully complied with applicable law as  
 3 to initiating recovery of the Vehicle and disposition of its collateral. There is no  
 4 basis in fact or applicable law for Plaintiffs to impute actions of How Adjustment  
 5 during the recovery of the Vehicle to Global for purposes of the Plaintiffs' claims  
 6 as set forth herein. In its agreement with How Adjustment for recovery of the  
 7 Vehicle, Global did not and would not instruct or authorize How Adjustment to  
 8 take any actions in the course of recovering the Vehicle that could be in any way  
 9 construed as a breach of the peace, including, but not limited to the action  
 10 Plaintiffs claim How Adjustment took as described in the Amended Complaint. To  
 11 the extent that it is found that How Adjustment violated applicable law during its  
 12 repossession of the Vehicle, such actions of How Adjustment that are the basis of  
 13 such a finding were beyond the scope of the terms of Global's agreement with  
 14 How Adjustment for recovery of the Vehicle and Global is not liable to Plaintiffs  
 15 for any damages resulting from such conduct of How Adjustment. It is also likely  
 16 that the alleged actions of How Adjustment's employee(s) in conducting the  
 17 repossession of the Vehicle, as described by Plaintiffs in the Amended Complaint  
 18 would be found to be Ultra Vires as to How Adjustment and its operating  
 19 guidelines.  
 20  
 21  
 22  
 23

24 6. Global is not a "debt collector" as that term is defined in 15 U.S.C.  
 25



1 Section 1692a.

2 7. Global is entitled to a setoff for any amounts owed to Global by  
3 Plaintiff Uni Parsons under the Contract, or any other agreements and applicable  
4 law.  
5

6 8. Discovery is continuing in this matter and may disclose the existence  
7 of facts supporting further and/or additional affirmative defenses or claims.  
8 Global reserves the right to seek leave of Court to amend its answer and  
9 affirmative defenses and to raise such additional affirmative defenses and/or  
10 avoidances, and/or counterclaims, and/or third party claims as may be  
11 established during discovery and by the evidence in this case.  
12

13 **GLOBAL'S COUNTERCLAIM AGAINST PLAINTIFF UNI PARSONS**

14 Global Credit Union, as Counterclaim Plaintiff hereby asserts the following  
15 counterclaim against Uni Parsons as the Counterclaim Defendant and, in support  
16 thereof, respectfully alleges as follows:  
17

18 **I. PARTIES, JURISDICTION, AND VENUE**

19 1.1 Counterclaim Plaintiff Global. At all times material hereto, Global  
20 has been and is a credit union organized and existing pursuant to the laws of the  
21 United States of America and the State of Washington, having paid all annual  
22 license fees and dues required by law. Global's principal place of business is in  
23 Spokane County, Washington.  
24  
25

1           1.2   Counterclaim Defendant Uni Parsons. Uni Parsons is a natural  
2 person over the age of 18 years and is a resident of Puyallup, Washington and  
3 has appeared in this matter.  
4

5           1.3   This Court has supplemental jurisdiction over the counterclaim of  
6 Global against Uni Parsons, as set forth herein pursuant to 28 U.S.C. § 1367.  
7 Venue in this Court is proper because a substantial part of the events or  
8 omissions giving rise to the counterclaim of Global occurred within territorial  
9 limits of this Court and based upon the residency of Uni Parsons and the terms of  
10 the agreements between Global and Uni Parsons.  
11

12                   **II.    GLOBAL'S FIRST CAUSE OF ACTION**  
13                   **Complaint for Money Due Against Plaintiff Uni Parsons**

14           2.1   Global realleges and incorporates by reference its Answer to the  
15 Amended Complaint as if set forth fully herein.  
16

17           2.2   The Contract provided for Uni Parsons to make monthly payments to  
18 Global of \$280.82 on or before the last day of each month, absent default. Uni  
19 Parsons defaulted on her obligations under the Contract, including failing to  
20 make the required payments when due.  
21

22           2.3   After recovery of the Vehicle, liquidation of the Vehicle and  
23 application of the net proceeds from liquidation of the Vehicle, in accordance with  
24 the Contract and applicable law, the remaining amount due to Global from Uni  
25

Parsons under the Contract is \$7,589.62.

**GLOBAL'S PRAYER FOR RELIEF AGAINST PLAINTIFF UNI PARSONS ON ITS COUNTERCLAIM**

WHEREFORE, having answered the Amended Complaint and set forth its affirmative defenses and counterclaim thereto, Global prays for judgment against the Plaintiffs granting the following relief:

1. That the Plaintiffs take nothing on their Amended Complaint and that all relief sought therein be denied and this case be dismissed with prejudice.

2. That Global have judgment against the Plaintiff Uni Parsons for the sum of \$7,589.62, together with post-judgment interest thereon at the Contract rate or applicable statutory rate.

3. Awarding Global its reasonable attorney's fees, costs, and expenses on any basis as allowed by the Contract, law, equity, or otherwise.

4. Awarding such other relief to Global as the Court deems just, necessary, equitable, and/or proper.

**GLOBAL'S CROSS-CLAIM AGAINST DEFENDANT HOW ADJUSTMENT**

Global hereby asserts the following cross-claim against Defendant How Adjustment and, in support thereof, respectfully alleges as follows:

**III. PARTIES, JURISDICTION, AND VENUE**

3.1 Cross-claim Plaintiff Global. At all times material hereto, Global has

1 been and is a credit union organized and existing pursuant to the laws of the  
 2 United States of America and the State of Washington, having paid all annual  
 3 license fees and dues required by law. Global's principal place of business is in  
 4 Spokane County, Washington.  
 5

6 3.2 Cross-claim Defendant How Adjustment. At all times material  
 7 hereto, How Adjustment is a Washington corporation with headquarters in  
 8 Bellevue, Washington.  
 9

10 3.3 This Court has supplemental jurisdiction over the cross-claims of  
 11 Global against How Adjustment, as set forth herein pursuant to 28 U.S.C. Section  
 12 1367. Venue in this Court is proper because a substantial part of the events or  
 13 omissions giving rise to the cross-claims of Global occurred within territorial  
 14 limits of this Court and based upon the principal place of business of How  
 15 Adjustment.  
 16

#### 17 **IV. GLOBAL'S FIRST CAUSE OF ACTION** 18 **Against Cross-claim Defendant How Adjustment**

19 4.1 Global realleges and incorporates by reference its Answer to the  
 20 Amended Complaint as if set forth fully herein.

21 4.2 On or about August 8, 2016, Cross-claim Plaintiff, Global, entered  
 22 into a Repossession Management Services Agreement with How Adjustment (the  
 23 "Repossession Agreement").  
 24  
 25

1           4.3 Pursuant to the Repossession Agreement How Adjustment agreed to  
2 “indemnify and save Global Credit Union and save harmless from and against any  
3 and all claims, damages, losses and actions including court costs, reasonable  
4 attorney fees and other expenses of litigation, resulting from or arising out of this  
5 account ... .”  
6

7           4.4 To the extent Plaintiffs are awarded any relief as to Global on their  
8 claims set forth in the Amended Complaint, any and all damages awarded to the  
9 Plaintiffs against Global would be the result of the conduct of How Adjustment as  
10 described in the Amended Complaint, and Global would be entitled to the  
11 recovery of a judgment against How Adjustment in the equivalent amount of such  
12 damages based on the indemnification provision in the Repossession Agreement,  
13 and on any other applicable law.  
14  
15

16           **GLOBAL’S PRAYER FOR RELIEF AGAINST HOW ADJUSTMENT**

17           WHEREFORE, Cross-claim Plaintiff Global prays for judgment as follows:

18           1. For judgment against How Adjustment in favor to Global, in an  
19 amount to be proven at trial, but no less than the amount of any damages  
20 awarded to Plaintiffs against Global, including any attorney’s fees and costs  
21 awarded to Plaintiffs against Global.  
22

23           2. For an award of Global’s reasonable costs, expenses and attorney  
24 fees incurred as to its defense of Plaintiffs’ claims and as to the recovery of  
25

1 judgment against How Adjustment.

2 3. For such other relief as may be just and equitable.

3 DATED this 6<sup>th</sup> day of December 2019.

4 DAVIDSON BACKMAN MEDEIROS PLLC

5 /s/ Bruce K. Medeiros

6 Bruce K. Medeiros, WSBA No. 16380

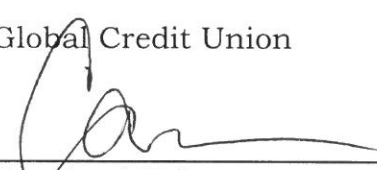
7 Attorney for Global Credit Union

8 **VERIFICATION**

9 I, Cami Nelson, on behalf of Global Credit Union, hereby declare that I am a  
10 representative of Global Credit Union the Cross-claim Plaintiff in the above  
11 entitled matter, that I have read the foregoing "Answer To First Amended  
12 Complaint For (1) Violations Of The Fair Debt Collection Practices Act; (2)  
13 Violations Of The Washington Consumer Protection Act; and (3) Violations Of The  
14 Uniform Commercial Code With Counter-Claim Against Uni Parsons and With  
Cross-Claim Against How Adjustment Service, Inc." and that I believe the same to  
be true and accurate to the best of my knowledge.

15 Dated this 6<sup>th</sup> day of December 2019.

16 Global Credit Union

17   
18 By: Cami Nelson

19 Its: Special Credits Officer

**DECLARATION OF SERVICE**

I hereby declare that on December 6, 2019 I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

Alexander B. Trueblood  
Trueblood Law Firm  
1700 Seventh Avenue, Suite 2100  
Seattle, Washington 98101  
*Attorneys for Uni and Ryan Parsons*  
Via email to: alec@hush.com

Betsy A. Gillaspy  
Gillaspy & Rhode, PLLC  
821 Kirkland Avenue, Suite 200  
Kirkland, Washington 98033  
*Attorneys for How Adjustment Service, Inc.*  
Via email to: bgillaspy@gillaspyrhode.com

DATED this 6<sup>th</sup> day of December 2019.

/s/ Tara J. Nichols  
Tara J. Nichols